

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex
HCO POLICY LETTER OF 27 APRIL AD15

Issue II
Remimeo

ORGANIZATIONAL PRICE ENGRAM

It's an awful good thing I found the engram in organizations before we released the new pattern of orgs and began to expand prices.

Had I not found it we would have expanded to insolvency! A few suppressive persons with their "everybody" and "they" have here and there over the years set up a price ridge between orgs and public.

"You charge too much!" "Money" "Prices too high!" combined with "everybody thinks" and other generalities have made executives believe that the public won't pay.

Not detecting the true reason for this attack, the executive swallowed it whole. The true reason is a suppressive reason-if we don't charge we will vanish.

A guilt complex (I won't use a Scientology term on anything so low) arose about money.

Accommodatingly around the world org Scientologists tended to cease to exist financially. All to please Jo-Jo the famous loop of Capetown or Too-Too the famous paranoid of Sydney or Gut-growl the renowned psychotic of Washington or Oh-no the wildly celebrated pervert of Los Angeles or Sinangulp the loudest mouth in Johannesburg.

These ARC Break specialists howled so loud their minority was overlooked. They wanted us gone. We helped people. A dastardly act. To prove it, Sinangulp tried to give away Johannesburg's buildings! And stole HASI's equipment and tapes and recorders Staffs resenting these attacks, resisted. But gradually succumbed.

Covertly prices were lowered.

Very covertly.

While still reporting and advertising high prices some orgs were charging very small.

It's a case of how crazy can one get.

It's one thing to advertise the discounted price. It's quite another to only advertise the high price while secretly selling at a ridiculously low price.

The tendency then against which we must guard is covert lowering of prices once set.

The prices given me last year for use in computing a discount programme were in some orgs higher than the actual price taken by the org.

Therefore, when we went on the early 1965 programme, the lie about former prices made it appear to the public in some areas that we had raised prices from 400% to 1000%! Hence, no business and the Jan-Feb slump.

It's good this happened while we were still small in orgs. For had we expanded without discovering this the tendency of secretly lowering prices would have wrecked us. The bigger we got the broker we would have been and the poorer the staff. I now know why staffs got

higher than average units on proportionate pay when I managed an org personally. I just didn't cut-rate things. And the public paid happily.

The lesson we have learned and which we must never lose sight of is that secret price cuts by separate orgs and discounts can undermine all financial planning and lay in an engram that can destroy all expansion.

Hardly one price actually collected in the world was the authorized price or the advertised price. And when the false data was used for planning the public was confronted with a HUGE increase even in the discounted price, which was based on reports that made the discounted price equal to the advertised 1964 price. But that reported 1964 price was not the price received for service.

I personally am of the opinion that even top executives in orgs did not know what their staffs were charging by the org. What it amounts to is that a big false report by orgs lay behind the 1965 Jan-Feb slump. They did not report their actual low prices, only their advertised prices.

Therefore we can draw up some policies on prices.

1. The advertised and reported price of anything sold by an org must be the actual price received by the org for that item.
2. There may be no hidden discounts, trick reductions, whims or favours given in pricing.
3. Merchandising by advertising that prices are going up soon is forbidden.
4. Anyone covertly reducing prices is guilty of suppressing an org which is a high crime.
5. Any price passed upon at Saint Hill by myself may not be changed for anything by anyone else in any org.

And finally:

6. Efforts to reduce prices below a set scale will be considered suppressive acts.

I can easily handle a situation when I have all the data. It was easy to re-shuffle programmes to get us again into an income range where orgs and staffs will prosper and which pleases the public. But it was a lot of worry until I got the real story.

We have learned some valuable lessons by the Jan-Feb 1965 slump. And we were saved by the bell. We didn't have a public book pouring in people and we didn't set up the orgs to boom. Had these two things been done, without my establishing a programme which started the rabbits out of the brush and into view, we would have been wiped out by a boom.

Now we can plan with a better reality and set up the org and release some popular books and boom. The only other datum on this also teaches us a lesson. Earlier in 1964 a query to all orgs about their prices elicited a good response. I several times asked for those despatches to be collected in a folder and given to me and it was not done. In the press of things, I didn't notice I was getting a non-compliance here and so never saw them until last week. However those price reports too were not correct. And I did have other data given me later in the year of 1964 on prices and National Councils did inspect the raises without comment.

There's no mystery left about this - the price data given by most orgs for planning were not the prices actually paid by the public - and orgs sold things for far less in most cases than what they said they did. And the '64 discount complexity was greater than the '65.

The engram was that prices were covertly reduced and the new prices of 1965 were thus many times the old. Don't listen to suppressives. Turn them in to HCO. And hold the prices set. And tell me the truth.

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